



Legislation Details (With Text)

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Title: Resolution to Approve the Purchase of Vehicles from Berger Chevrolet (Oakland County Bid - \$156,880.00)

Sponsors:

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Attachments: 1. Berger Bid Tab 2018.pdf

Date	Ver.	Action By	Action	Result
2/5/2018	1	City Council	Approved	Pass

Resolution to Approve the Purchase of Vehicles from Berger Chevrolet (Oakland County Bid - \$156,880.00)

The attached resolution authorizes the purchase of one 2018 Chevrolet Cruze sedan for \$16,014.00, one 2018 Chevrolet Impala sedan for \$23,353.00, one 2018 Chevrolet Colorado extended cab 2WD small pickup for \$22,639.00, one 2018 Chevrolet Express 3500 15 passenger van for \$29,163.00, one 2018 Chevrolet Traverse AWD crossover utility vehicle for \$29,283.00, and one 2018 Chevrolet Tahoe 4WD police utility vehicle for \$36,428.00 Berger Chevrolet, Grand Rapids, Michigan, for a total of \$156,880.00.

The City’s labor contracts with the Ann Arbor Police Officers Association and the Ann Arbor Police Supervisors require that vehicles used by their members will not be driven more than 80,000 miles or 6 years. The vehicles listed on this resolution will replace vehicles that will have reached the 80,000 miles’ limit in the next year.

As background, the Police Unit of the Safety Services Area requires the fleet of detective vehicles to consist of a variety of makes, models, and body styles. As such, the fleet includes cars, pickups, and SUVs. To maintain this diversity, the Fleet and Facilities Unit develops a list of vehicles awarded a contract under one or more of the cooperative purchasing programs from the State of Michigan, Macomb County, and Oakland County. The Police Department then selects suitable vehicles from the list. Although greenhouse-gas emissions and fuel economy are factors, a diverse fleet is the overriding factor in choosing vehicles for this operation.

One of the primary objectives of the Fleet and Facilities Unit is ensuring the City’s fleet is reliable and affordable. The Unit does this by establishing a replacement schedule for each class of vehicle. When a vehicle comes up on the replacement schedule, we use a two step evaluation process. The first step assesses five criteria: age, miles/hours of use, type of service, reliability, maintenance and repair cost. The second step is the Fleet Service Supervisor’s review of repair history and general condition.

Point values are assigned as follows:

AGE - one point for each year in service

MILES/HOURS - one point for each 10,000 miles or 330 hours of service

TYPE of SERVICE - one point for light-duty use up to five points for severe duty use

RELIABILITY - average # of work orders per month (1 <.25, 2 =.25 to .50, 3 =.50 to .75, 4=.75 to 1, and 5 = over 1 per month)

MAINTENANCE COST - repair cost as a percentage of purchase price (1 = 20 to 40%, 2 = 40% to 60%, 3 = 60% to 80%, 4 = 80% to 100%, and 5 = Over 100%)

SUPERVISOR REVIEW - based on a review of work order history and the Supervisor's experience (1 = very good condition to 5 = very poor condition)

Vehicles with a score of 22 or below are in good condition and not scheduled for replacement. Those whose scores are 23 through 27 require a Supervisor rating of 4 or 5 before qualifying for replacement. Finally, those with a score of 28 or more require a Supervisor rating of 3 or above to qualify for replacement. By weighting the Supervisors score, we insure that vehicles that have been in service for a long time or that have had one exceeding high repair charge but are otherwise in very good condition, are not replaced.

The majority of the City's fleet usage is tracked by hours used instead of miles. This furnishes a more accurate assessment of the wear and tear the engine and drive train receive in the "stop and go" city environment. We estimate that city driving accounts for 90 to 95 percent of the hours put on City vehicles.

Of the twenty-one light vehicles scheduled for evaluation this year, six have met the requirements for replacement. Three are being replaced by the vehicles authorized by this resolution.

The Community Standards Unit of the Safety Services Area uses sedan # 0511, a 2012 Ford Focus, for its parking and code enforcement operations. The sedan has been in service for 6 years and has 5,817 hours of operation. It averages 0.49 repair work orders per month and the cost of repairs has exceeded 137% of its purchase price. The Fleet Service Supervisor rated this vehicle a 3.

The Engineering Unit of the Public Services Area uses truck # 9222, a 2008 GMC Canyon, for its project management inspection operations. The truck has been in service for 9 years and has 3,005 hours of operation. It averages 0.14 repair work orders per month and the cost of repairs has exceeded 75% of its purchase price. The Fleet Service Supervisor rated this vehicle a 4.

The Parks & Recreation Services Unit of the Community Services Area uses van #6217, a 2009 GMC 15 Passenger Van, for their canoe livery operations. The van has been in service for 8 years and has 2,591 hours of operation. It averages 0.21 repair work orders per month and the cost of repairs has exceeded 47% of its purchase price. The Fleet Service Supervisor rated this vehicle a 5.

This purchase follows the guidelines of the City's Green Fleet Policy to reduce the amount of fuel used and to pay a premium for "greener" vehicles if necessary.

The Fleet and Facilities Unit reviewed the bids of the Cooperative Purchasing Programs of the State of Michigan, Oakland County, and Macomb County. Berger Chevrolet was the lowest responsive bidder to the Oakland County and State of Michigan bids.

Budget and Fiscal Impact: Adequate funds for these purchases have been budgeted in the Fleet Services Approved FY 18 Operations and Maintenance budget.

Berger Chevrolet complies with the requirements of the City's non-discrimination ordinances.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Fleet and Facilities Unit needs to purchase replacement vehicles for the City's fleet;

Whereas, Berger Chevrolet, Grand Rapids, MI, is the lowest responsive bidder to the Oakland County and State of Michigan Cooperative Bid programs; and

Whereas, Berger Chevrolet complies with the requirements of the City's Non-Discrimination Ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Berger Chevrolet for the purchase of one 2018 Chevrolet Cruze for \$16,014.00, one 2018 Chevrolet Impala sedan for \$23,353.00, one 2018 Chevrolet Colorado extended cab 2WD small pickup for \$22,639.00, one 2018 Chevrolet Express 3500 15 passenger van for \$29,163.00, one 2018 Chevrolet Traverse AWD crossover utility vehicle for \$29,283.00, and one 2018 Chevrolet Tahoe 4WD police utility vehicle for \$36,428.00 for a total of \$156,880.00;

RESOLVED, That funds for the purchase of these vehicles come from the approved FY 18 Fleet Services operations and maintenance budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0154, 0157, 0343, 0511, 6217 and 9222) be sold at the next City vehicle auction held after the vehicles are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.